

FISCAL NOTE

SB 1818 - HB 1936

April 5, 2001

SUMMARY OF BILL:

- Specifies establishment by a municipal electric system of a joint venture to provide cable, internet and related services requires approval by referendum.
- Specifies that such joint ventures are subject to open records law and that any joint venture agreement must be presented to the legislative body of the municipality in which the municipal electric system is located.
- Requires a municipal electric system providing cable, internet and related services to send a copy of the business plan for such services via certified mail to all persons currently providing cable service in the area.
- Specifies that any material change in the business plan renders it null and void and the changed plan is to be treated as a new business plan.
- Requires the costs of a municipal electric system analyzing feasibility and other aspects associated with offering cable, internet and related services to be allocated to the rates for such services.
- Requires approval by two-thirds of the legislative body of the municipality where the municipal electric system is located for such system to undertake a feasibility investigation with regards to providing cable, internet and related services.
- Requires municipal electric systems offering such services to report specific information annually to the Comptroller's Division of Local Finance.
- Specifies that such information must also be presented at a public meeting held by the municipality's legislative body and that proper notice of such meeting must be published in a paper of general circulation.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Increase Local Govt. Expenditures - Not Significant

Other Fiscal Impact - To the extent a municipal electric system is not authorized to provide cable, internet or related services that would have been in the absence of the referendum requirement in the bill, such system will forgo revenues and expenditures related to offering such services estimated to exceed \$100,000.

Estimate assumes:

- the state will experience an increase in expenditures for the cost of additional reviews of business plans and reports

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submitted by municipal electric systems to the Comptroller's office. This increase is estimated to be not significant.

- an increase in local government expenditures for the cost of certified mailings, the publication of required notices, and other administrative expenses under the provisions of the bill.
- the required referendums would be held at the time of a regularly scheduled election so additional costs related to such referendum would be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director